



BENEFITS SUMMARY FOR NEW, REHIRED, AND TRANSFERRED CIVILIAN EMPLOYEES

For Full and Limited Service Employees

This brochure applies to new, rehired, and transferred employees who are eligible for Federal benefits. Generally, employees hired on or converted to appointments described as permanent or indefinite are eligible for Federal benefits.

This information is very important to you personally. It is your responsibility to understand and manage your Federal benefits. Most benefits have time limitations on enrollment, with infrequent opportunity to enroll or make changes. Information on beneficiary designations, retirement, and military service is also provided.

All Air Force-serviced civilians receive health and life insurance and Thrift Savings Plan counseling and assistance from the Benefits and Entitlements Service Team (BEST), located at Randolph AFB, Texas. BEST also provides death-in-service and retirement services to "Full service" employees. "Limited service" employees receive retirement and death services from their local or servicing Civilian Personnel Flight (CPF). If your hardcopy Official Personnel Folder is located at Randolph AFB, you receive "Full services" from BEST.

Elections to enroll in health insurance, life insurance, and the Thrift Savings Plan must be submitted via the BEST automated phone system or the Employee Benefits Information (EBIS) web application. Instructions on how to access these systems and information on the BEST personal identification number (PIN) is located on the last two pages of this brochure. The benefits and entitlements website is at <http://ask.afpc.randolph.af.mil/best/default.asp?prods3=272&prods2=264&prods1=44>.

BENEFITS	ELECTION PERIOD (from effective date of appointment or transfer)	HOW TO ENROLL
Federal Employees Health Benefits (FEHB)	60 days	EBIS or the BEST Phone System
Federal Employees' Group Life Insurance (FGLI)	31 days	EBIS or the BEST Phone System
Thrift Savings Plan (TSP) (Retirement savings plan)	May enroll or make changes at any time	EBIS or the BEST Phone System
Federal Employee Dental and Vision Insurance Program (FEDVIP)	60 days	www.BENEFEDS.com or call 1-877-888-3337 TTY 1-877-889-5680
Flexible Spending Accounts (FSA) (for reimbursement of health and dependent care expenses)	60 days (or by October 1 st , whichever occurs first)	www.fsafeds.com or call 1-877-372-3337 TTY 1-800-952-0450
Long Term Care (LTC) Insurance	60 days (for abbreviated underwriting application)	www.ltcfeds.com or call 1-800-582-3337 TTY 1-800-843-3557
Election of FERS (CSRS/CSRS Offset only)	Within 6 months of date of reemployment	Obtain SF 3109 from local or servicing Civilian Personnel Flight

FEDERAL EMPLOYEES HEALTH BENEFITS (FEHB)

The FEHB program is one of the most valuable benefits of Federal employment, but coverage is **not** automatic – you must select one of the more than 100 available health plans in order to be covered. We cannot recommend a health plan -- you must do this homework yourself. Begin by consulting the "Guide to Federal Employees Health Benefits Plans (RI 70-1)" to determine which plans you are eligible for, the basic services each plan provides, and the cost. After narrowing your choices, review the individual plan brochures for specific coverage information (e.g., some plans require payment of annual associate or union dues). If the guide and plan brochures are not available locally for review, you can find them on the Office of Personnel Management (OPM) website (www.opm.gov/insure/health). While there, check out the automated tool for comparing plans by zip code. There are no FEHB plans that provide only dental or vision coverage. If dental and/or vision coverage is all you want, check out the FEDVIP program on page 6.

New and rehired employees on eligible appointments and **temporary employees converting** to an eligible appointment **have 60 days from date of appointment** to sign-up for a FEHB health plan. If you don't make an election, you are considered to have declined coverage and you must wait until the next open season or qualifying life event to enroll. Exception: Rehired employees with a break in service of 3 days or less do not have an opportunity to enroll. The prior enrollment (or declination) will continue.

Important: Enrollment is not retroactive, and cannot be made effective the day you enter on duty as you must have been in a pay status during some part of the pay period which precedes the one in which your enrollment becomes effective. Once this requirement has been met your enrollment will become effective on the first day of the first pay period that begins after you submit your enrollment. You cannot be reimbursed for medical expenses incurred prior to the effective date. You need to consider this in canceling any other health insurance coverage you may already have, and for scheduling doctor visits or tests. You can obtain a copy of the SF 2809 (Health Benefits Election Form) from EBIS (until the election is effective), or by fax through the BEST phone system, to use as proof of insurance until you receive your enrollment card from the health carrier. You can also obtain the SF 2809 from your electronic Official Personnel Folder once the election is effective.

Transferring employees. If you transfer from a post of duty within the United States to a post of duty outside the United States, or reverse, you have 31 days before leaving the old post of duty to 60 days after arriving at the new post to elect to enroll or change to a new health plan. If a transfer within the United States moves you out of the servicing area of your HMO, you may elect a new health plan upon notifying your employing office of the move. An enrollment or change is effective the first day of the first pay period that begins after you submit your enrollment.

Premium Conversion is a "pre-tax" arrangement under which the part of your salary that goes for health insurance premiums is non-taxable. You save on Federal income tax and FICA taxes, and in most cases, on State and local income taxes. Premium conversion is automatic unless you waive participation by submitting the "Premium Conversion Waiver/Election Form" at the same time you submit your FEHB enrollment. Please note: if you elect to participate in premium conversion you **cannot** cancel or change your FEHB enrollment to self-only any time you want. Instead, you have to wait for the next open season or experience a qualifying life event that corresponds with the desired change. The premium conversion waiver/election form is available at http://ask.afpc.randolph.af.mil/docs/best/docs/Premium_Conversion_Form.pdf. Fax to BEST at DSN 665-2936 or (210) 565-2936.

Cost of FEHB. On average, the employee share of the FEHB premium is about 25% of the total cost. The Government pays the rest. **Exception:** **Part-time** employees working 16 to 32 hours a week (32 to 64 per biweekly pay period) are entitled to a **partial** Government contribution in proportion to the number of hours scheduled to work in a pay period. The amount of the Government contribution is determined by dividing the number of hours scheduled to work during the pay period by the number of hours worked by a full-time employee serving in the same or comparable position (normally 80 hours per biweekly pay period). That percentage is then applied to the normal government contribution identified in the plan booklet. Deduct the resulting amount from the total premium shown on the plan

booklet (both government and employee shares), and the remaining amount is the employee portion of the premium that will be withheld each pay period.

If you elect not to enroll in FEHB at this time, you need do nothing. However, unless you experience a qualifying life event, your next opportunity to enroll is the next annual open season which runs from the second Monday in November through the second Monday in December each year. Coverage elected during an open season is effective the first day of the first full pay period the following January. If you experience a qualifying life event, such as marriage, birth of a child, or loss of coverage under another policy, you have 60 days from the date of the event to conduct a non-open season enrollment. There are many qualifying life events – for more information, visit the BEST website at <http://ask.afpc.randolph.af.mil/best/default.asp?prods3=272&prods2=264&prods1=44> (click on Health Insurance, then on “Enroll or Change Enrollment”), or speak with a BEST benefits counselor.

FEDERAL EMPLOYEES’ GROUP LIFE INSURANCE (FEGLI)

New Federal employees are automatically enrolled in **Basic** life insurance effective the first day in a pay and duty status. If you don't want Basic insurance, you must take action to waive it. If you waive before the end of your first pay period, no premiums will be withheld.

Optional life insurance coverage is **not** automatic – you have to take action to elect it. You must have Basic insurance to be eligible for Optional insurance. **You have 31 days from your date of hire to sign up for Optional life insurance.** Optional insurance is effective the date you submit the election. If you do not elect to enroll in Optional insurance, you are considered to have waived Optional coverage.

Use EBIS or BEST phone system to elect or waive Basic and Optional insurance.

No proof of insurability is required for the Basic insurance you get on being hired, or for any Optional insurance that you sign up for during the first 31 days of employment. Proof of insurability may be required for insurance changes after that time.

Rehired employees with a break in service of 180 days or less are automatically enrolled with the level of coverage in effect at the time of separation from employment. If you do not want this coverage, you may waive (cancel) all or a part of it at any time, but you may not elect to increase the coverage. If you had previously waived all coverage, you may not elect to be enrolled.

Rehired employees with a break in service over 180 days are enrolled with Basic only. You have 31 days from date of rehire to make a new life insurance election for any amount of coverage. If you don't make a new election, the coverage in effect on the date of your separation from employment will be reinstated.

Transferring employees may not enroll or elect additional life insurance based on the transfer.

The **Federal Employees' Group Life Insurance Program (FEGLI)** offers:

- **Basic Life Insurance** – equal to your annual basic pay (includes locality pay/local market supplements), rounded to the next higher \$1,000, plus \$2,000. Basic also provides an Extra Benefit to employees under age 45, at no additional cost. (See the FEGLI Program Booklet for more on the Extra Benefit.)
- **Plus three types of Optional insurance:**
 - Option A – Standard. Provides a straight \$10,000.
 - Option B – Additional. Provides an amount from one to five times your annual basic pay (after rounding up to the next \$1,000).
 - Option C – Family. Provides coverage for your spouse and eligible dependent children in an amount from one to five times \$5,000 for your spouse, and from one to five times \$2,500 for eligible dependent children.

The FEGLI Program Booklet (FE 76-21) contains information you need to become familiar with. If you do not receive the booklet during in-processing, ask your CPF where you can obtain it locally, or download it from the OPM website at www.opm.gov/insure/life/booklet/2004/federal/booklet.pdf.

Cost of FEGLI. Use the **FEGLI Calculator** at www.opm.gov/calculator/worksheet.asp to determine the cost and benefits of various levels of optional insurance coverage. Life insurance premiums are withheld automatically from your pay.

You may waive (cancel) life insurance coverage at any time, but you must wait one full year from the date of waiver before you can apply to re-enroll. This process requires that you have a medical exam, at your own expense. The Office of Federal Employees' Group Life Insurance (OFEGLI) approves/disapproves these requests.

THRIFT SAVINGS PLAN (TSP)

The Thrift Savings Plan (TSP) is a retirement savings and investment plan for Federal employees, offering the same type of savings and tax benefits offered under 401(k) plans. TSP contributions are very important to employees covered by the Federal Employee Retirement System (FERS) to assure you have sufficient funds for retirement, since FERS is not as generous as the older Civil Service Retirement System (CSRS).

There are two types of TSP contributions, "regular" and "catch-up."

Regular TSP Contributions

CSRS and FERS employees may start, change, stop, or restart contributions to a regular TSP account at any time via the EBS web application or the BEST phone system. Elections are effective at the beginning of the pay period following the one in which submitted.

In 2007, you may contribute up to \$15,500 (the IRS annual limit) to a regular TSP account.

When submitting the election, designate the amount you wish to contribute each pay period as any whole percentage of your basic pay or a specific whole dollar amount. If you elect a percentage of pay and the amount is more than your remaining salary after mandatory deductions, then the resulting pay will be the amount withheld and contributed to your TSP account. If you designate a dollar amount and it is greater than your remaining salary, then **no** employee contributions will be made for that pay period, and if you are FERS you will not receive agency matching contributions. If this happens, you will need to submit a new election and elect a lower percentage or dollar amount. The new election will **not** be applied retroactively.

Agency Contributions to TSP Accounts. Only FERS employees are eligible for agency contributions. FERS employees receive an agency automatic 1% contribution and agency matching contributions up to 4%. The agency automatic 1% contribution is equal to 1% of your basic pay and is paid whether or not you contribute your own money. Agency matching contributions apply to the first 5% **you** contribute as follows: dollar-for-dollar for the first 3% and 50 cents on the dollar for the next 2%. Contributions you make above 5% of your pay will not be matched, but you will still benefit from before-tax savings and tax-deferred earnings on these contributions. By contributing at least 5% of your basic pay, you double your investment instantly. Don't miss out on free money! Contribute early to give the money in your account more time to increase via compounding of earnings.

When Agency TSP Contributions Begin. FERS employees are eligible to receive agency contributions once they serve a **waiting period**. The waiting period can be between 6 to 12 months, depending on the date of hire, as follows:

Waiting Period Chart	
If you were hired:	Your agency contributions will begin:
1 June 2005 through 30 November 2005	11 June 2006
1 December 2005 through 31 May 2006	10 December 2006
1 June 2006 through 30 November 2006	10 June 2007
1 December 2006 through 31 May 2007	9 December 2007
1 June 2007 through 30 November 2007	8 June 2008

Rehired employees with a break in service of 31 or more full days may sign up to make TSP contributions at any time. If you are FERS and you were previously eligible to receive agency

contributions, the agency automatic 1% contribution will begin immediately upon rehire and the agency matching contributions when you begin contributing your own money. If you were not previously eligible to receive agency contributions, the agency automatic 1% contribution will begin when the waiting period has been met, as per the chart above, as will agency matching contributions if contributing your own money.

Rehired employees with a break in service of LESS than 31 full days - If previously contributing to TSP, your contributions will automatically resume based on the last valid contribution election on file. You may submit a new contribution election to change or stop your contributions at any time. If you were not previously contributing, you may sign up to begin TSP contributions at any time. If you are FERS, agency contributions will resume upon rehire if you were previously eligible for them. It is your responsibility to check your Leave and Earnings Statement to ensure your contributions have resumed. If they do not, notify BEST immediately. Contact your payroll office if TSP loan payments do not continue.

If you are a rehired CSRS or CSRS Offset employee and you choose to change your retirement coverage to FERS, the agency automatic 1% contribution will begin the day your FERS coverage goes into effect. If you are already contributing to TSP, your contributions will continue and agency matching contributions will begin the date your FERS coverage goes into effect. If you are **not** contributing to TSP on the date you transfer to FERS, you may submit an election to start contributions at any time. However, if you wish your TSP contributions to be effective the same date as your transfer to FERS, fax a completed Form TSP-1, along with SF 3109 (FERS transfer election form) to BEST at DSN 665-2936 or (210) 565-2936. You need to do this at the same time you sign the SF 3109. (This is the only time BEST will accept a hard copy form.)

Transferring Employees. If you are contributing to TSP when you transfer, your contributions will continue. It is your responsibility to check your Leave and Earnings Statements (LES) received for pay periods after the transfer effective date to ensure your contributions, as well as any TSP loan payments, have continued. If contributions are not withheld, notify BEST immediately.

Investment of TSP Contributions. Selecting the funds you wish to invest your TSP contributions in and the percentage you wish to go into each is called making a "contribution allocation." You'll use the TSP website or the TSP ThriftLine to make your contribution allocation among the investment funds. The good news is you can change your contribution allocation as often as you like. If you're a new participant, however, your contributions are placed in the Government Securities Investment (G) Fund until you receive your TSP PIN and submit a contribution allocation. If you're a rehired employee and you already have an established TSP account, your contributions will be invested based on your most recent contribution allocation.

TSP PIN Number. You will receive a personal identification number (PIN) from the Thrift Savings Plan by mail within 7 to 10 days of the date the TSP receives the first contribution to your account (whether it is your own contributions or the agency automatic 1% contribution). On receipt of the TSP PIN, you can access the TSP website or ThriftLine and designate how you wish your contributions allocated among the available investment funds. The TSP website is located at www.tsp.gov (click on Account Access). The ThriftLine phone number for employees located in the United States, Canada, Guam, American Samoa, Puerto Rico, and the Virgin Islands is 1-877-968-3778 (TDD 1-877-847-4385). Other international callers will dial 1-404-233-4400 (TDD 1-504-255-5113) (not toll-free). If you're a rehired employee and don't remember your TSP PIN, or if you lose or forget your TSP PIN, you may request a new one via the TSP ThriftLine or the TSP website (under Account Access).

Automatic Carry-Over From Year to Year. If you elect to contribute to a regular TSP account, the election will automatically carry over from year to year. You can stop or change it at any time.

TSP Catch-Up Contributions

Catch-up contributions are **additional** tax-deferred contributions, separate from **regular** TSP contributions. You are eligible to make catch-up contributions if you are age 50 or older or will turn age 50 in the year in which catch-up contributions are deducted, are in a pay status, and contributing the maximum regular employee contributions to a regular TSP account, uniformed services TSP account, or other eligible employer-sponsored plan, such as a 401(k) plan.

Catch-up contribution enrollment does **not** carry over from year to year. **An election to make catch-up contributions must be submitted each year.** Catch-up contribution elections for calendar year 2007 may be submitted at any time between 10 Dec 06 and 8 Dec 07. **The maximum annual catch-up contribution for 2007 is \$5,000.** The catch-up contribution annual maximum is completely separate from the annual maximum for regular contributions. Please note: If you will not be contributing the IRS maximum in regular contributions, there is no need to elect TSP catch-up.

Sign up to make catch-up contributions via EBIS or the BEST phone system. (Hard copy enrollment forms not accepted.) Designate the amount you wish to contribute **each pay period** as a whole dollar amount. **Make sure the per pay period amount does not exceed your net pay, or no contributions, either catch-up or regular, will be withheld.** (If this happens, you'll have to process another election to change the per pay period amount, effective the beginning of the next pay period.)

For more information, read the Catch-Up Contributions fact sheet at www.tsp.gov/forms/oc03-03.pdf.

FEDERAL EMPLOYEES DENTAL AND VISION PROGRAM (FEDVIP)

Newly hired and newly eligible employees have 60 days from date of hire or date of becoming eligible to enroll in the FEDVIP program. Enrollments are effective at the beginning of the pay period following the one in which the enrollment is submitted. If you don't enroll during the 60 day period, you may do so at the next open season in Nov/Dec or upon experiencing a Qualifying Life Event (QLE).

Transferring employees already enrolled in the FEDVIP program – if the transfer moves you out of a regional plan's service area, you may change from one plan to another. There is no time limit.

The FEDVIP program offers supplemental dental and vision coverage to eligible Federal employees and their eligible family members on an enrollee-pay-all basis. Eligible individuals can enroll in a dental plan and/or a vision plan, for self-only, self plus one, or self and family coverage. Premiums will be withheld from salary on a pre-tax basis. FEDVIP is completely separate from the FEHB program.

Federal employees, including those who live outside the United States, are eligible to enroll in FEDVIP if they are eligible to enroll in the FEHB program (whether enrolled in FEHB or not). Eligible family members include an enrollee's spouse and unmarried dependent children under the age of 22, or if age 22 or older, incapable of self-support. The rules for family members' eligibility are the same as for the FEHB program. Air Force civilians may contact BEST if they need help in determining eligibility.

Unlike FEHB, enrollment in FEDVIP will take place via the secure BENEFEDS Portal at www.benefeds.com, or by contacting a BENEFEDS customer service representative toll-free at 1-877-888-3337, TTY 1-877-889-5680, Monday – Friday, 9 a.m. to 7 p.m. Eastern Time.

BEST is only responsible for assisting with eligibility determinations. If need other assistance, you will need to visit the OPM FEDVIP website at www.opm.gov/insure/DentalVision/index.asp or speak with a BENEFEDS customer service representative. This includes finding information on Qualifying Life Events (QLEs), which is in OPM Benefits Administration Letter (BAL) 06-602.

FLEXIBLE SPENDING ACCOUNTS

The Federal Flexible Spending Account Program for Federal Employees (FSAFEDS) is a tax-favored program that allows you to pay for eligible out-of-pocket health care and dependent care expenses with pre-tax dollars. There are three types of FSA accounts: general purpose Health Care FSA, limited expense Health Care (LEX HCFSA), and Dependent Care FSA.

New employees and rehires have 60 days from entry on duty or until October 1, whichever comes first, to sign-up for the Flexible Spending Account (FSA) program. Applications for the current calendar year are not accepted from October 1 through December 31. If you wish to enroll for the following calendar year, you will do so during the annual open season held each year from the second Monday in November through the second Monday in December.

Transferring employees – If you are contributing to an FSA account(s) when you transfer, your contributions will continue. It is your responsibility to check your LES received for pay periods after the transfer effective date to ensure that your contributions have continued. If contributions are not withheld after your transfer, contact BEST immediately.

Employees eligible to enroll in a Health Care FSA include anyone eligible to enroll in the FEHB program, *even if not currently enrolled*. **All employees with qualified dependents** may enroll in the **Dependent Care FSA** except temporary employees with no fixed work schedule whose tour of duty is six months or less.

FSAFEDS offers three types of FSA accounts:

- A **Health Care FSA (HCFSA)** can be used to pay for eligible health care expenses not reimbursed by your FEHB plan or any other medical, dental, or vision care plan that you or your dependents may have, and not claimed on your income tax return. The maximum contribution is \$5,000, and the minimum is \$250. Eligible dependents include anyone you can claim on your federal income tax return as a qualified IRS dependent and/or jointly file your taxes with. Examples of eligible expenses include, but are not limited to, co-payments, deductibles, co-insurance, dental care, orthodontic treatment, guide dogs, hearing aids, weight-loss programs at physician's direction, and laser eye correction. Insurance premiums, including those for FEHB premiums, Long Term Care, private insurance premiums and supplemental insurance premiums, are not eligible for reimbursement.
- A **Limited Expense Health Care FSA (LEX HCFSA)** can be used to pay for eligible vision and/or dental expenses not covered by FEHB or any other medical, dental, or vision care plan you or your dependents may have. Generally, individuals who enroll in the LEX HCFSA are those who enrolled in a FEHB High Deductible Health Plan (HDHP) and have a Health Savings Account (HSA). Individuals eligible for a HSA are not eligible for the general purpose HCFSA.
- A **Dependent Care FSA (DCFSA)** allows you to be reimbursed on a pre-tax basis for child care or adult dependent care expenses for qualified dependents that are necessary to allow you or your spouse to work, look for work, or attend school full-time. However, if you did not find a job and have no earned income for the year, your dependent care costs are not eligible. The maximum annual amount you may set aside is limited to the lesser of \$5,000 (\$2,500 if married and filing a separate income tax return); the employees earned income (if less than \$5,000/\$2,000); or the spouse's earned income (if less than \$5,000/\$2,000). Eligible dependents include your dependent children under age 13, or anyone you claim on your federal income tax return as a qualified IRS dependent (and who is mentally or physically incapable of caring for themselves). Examples of eligible expenses include placement fees for a dependent care provider, such as an au pair; before and after-school care (other than tuition); care of an incapacitated adult who lives with you at least 8 hours a day; childcare at a day camp, nursery school, or by a private sitter; late pick-up fees, expenses for a housekeeper whose duties include caring for an eligible dependent; and summer or holiday day camps.

Employees enroll in the FSA program directly with SHPS, Inc., the third party FSA program administrator. SHPS is fully responsible for enrollment and for answering any questions you may have about this program. To enroll, call the SHPS toll-free telephone line: 1-877-372-3337 (TTY 1-800-952-0450), or go online to the FSAFEDS website at <https://www.fsafeds.com>. Enrollments are effective the next pay period and cannot be changed during the calendar year unless you experience a Qualified Status Change (QSC).

FSA enrollment does *not* carry over from one calendar year to the next, so each year during the annual open season you must make a new election for the upcoming calendar year.

Additional Information. There is a wealth of information on this program on the FSAFEDS website. The homepage includes "quick links" to a summary of benefits with frequently asked questions, program information, eligibility information, a savings calculator, qualifying life event information, as well as an "Eligible Expenses Juke Box" that provides detailed information on expenses that are eligible for reimbursement under this program. Check it out!

LONG TERM CARE INSURANCE

You (and your spouse, if married) have **60 days** from your date of appointment (date hired) to apply for long term care (LTC) insurance using the **abbreviated** underwriting application (fewer health questions). You may still apply after the initial 60 day period, but will have to use the **full** underwriting application (numerous health-related questions, and possibly a review of medical records and/or an interview with a nurse).

The **Federal Long Term Care Insurance Program (FLTCIP)** provides long term care (LTC) insurance for reimbursement for costs of care when you are unable to perform at least two activities of daily living for an expected period of at least 90 days or when you need constant supervision due to a severe cognitive impairment. LTC insurance is **not** just for older people. 40% of persons receiving long term care are adults between the ages of 18 and 64. Many of these individuals are recovering from an accident, stroke, or have a crippling disease such as multiple sclerosis. Types of expenses that are payable are those not covered by FEHB or other health insurance, such as nursing home care and in-home care required because you need assistance with daily activities of living such as eating, bathing, toileting, and so on.

Most Federal employees are eligible to enroll – in general if you are in a position that conveys eligibility for FEHB coverage, you are eligible for this program, whether enrolled in FEHB or not – the key is *eligibility*. In addition, your qualified relatives are eligible to enroll for themselves, including your current spouse, parents, parents-in-law, stepparents (of living employees) and your adult children (at least 18 years old, including natural children, adopted children, and stepchildren – foster children are not eligible). Check with BEST if you are unsure about your eligibility.

The cost of the insurance is based on your age when you apply – the older you are, the higher the premiums. The Office of Personnel Management (OPM) sponsored the LTC insurance program in order to obtain rates somewhat lower than what is available in the private sector, but you will pay the full cost of the premiums. Certain medical conditions, or combination of conditions, will prevent some people from being approved for coverage. Not everyone who applies will be approved for the insurance coverage.

To apply for LTC insurance, go to the LTCFEDS website at www.ltcfeds.com or call toll-free 1-800-582-3337 (TTY 1-800-843-3557). LTC customer service representatives are available from 8 a.m. to 6 p.m. Eastern Time, if you require assistance with your application or have questions about the program. The LTCFEDS website also provides information and resources on the program.

Transferring employees already enrolled in LTC insurance – If paying your premiums by payroll deduction and you are transferring to a new agency or payroll office, the payroll deduction will **not** automatically switch over to the new payroll office. Instead, you must contact LTCFEDS as soon as you know where and when you will be transferring. They will work with your new agency location to set up payroll deductions there. If you receive any direct bills from LTCFEDS while this is being set up, you must pay those bills if you wish to avoid cancellation of your LTC insurance. If paying by automatic bank withdrawal and you change banks as a result of your transfer, you must contact LTCFEDS to provide updated banking information. If your mailing address changes as a result of your transfer, call LTCFEDS and give them your new mailing address.

DESIGNATIONS OF BENEFICIARY

If you die while a Federal employee, payments will be made in a particular order of precedence set by law from your life insurance proceeds (if enrolled), unpaid salary (called unpaid compensation), TSP account, and retirement contributions. (Exception: Retirement contributions are not payable if the requirements are met for dependents to receive survivor benefits.) If you are satisfied with the order of precedence, it's not necessary to complete a beneficiary form. Generally, the order of precedence is (1) the widow or widower; (2) if none, the child or children in equal shares; (3) if none, the parents in equal shares; (4) if none, the executor or administrator of the estate; (5) if none, the next of kin under the laws of the state in which the decedent was domiciled at date of death. However, for life

insurance this order of precedence goes into effect only if your life insurance has not been assigned and if there is not a valid court order properly filed in your Official Personnel Folder (OPF).

The following designation of beneficiary forms can be found on the Office of Personnel Management website at www.opm.gov/insure/designations/index.asp:

- SF 2808 (Civil Service Retirement System – CSRS only)
- SF 3102 (Federal Employees Retirement System – FERS only)
- SF 1152 (Unpaid Compensation of Deceased Civilian Employee)
- SF 2823 (Federal Employees' Group Life Insurance)
- Form TSP-3 (Thrift Savings Plan, www.tsp.gov/forms/index.html)

Complete Form TSP-3 when you begin to contribute or, if FERS, when you begin receiving the agency automatic 1% contribution, whichever happens first. Submit the SF 1152, SF 2823, and the SF 3102 to your local Civilian Personnel Office, who will certify and return the employee copies to you and forward the originals to our office (if you are a full service employee). If you are a limited service employee, the personnel office will file the forms in your OPF. If you are a CSRS employee, send the SF 2808 directly to OPM at the address on the reverse side of the form. Send Form TSP-3 directly to the TSP Service Office at the address on the reverse side of the form.

It is your responsibility to make sure designation of beneficiary forms stay current. A change in marital status does **not** automatically change a beneficiary previously designated. Also, you should submit updated beneficiary forms when the address of your beneficiaries changes, to make them easier to locate should the need arise.

RETIREMENT

Newly hired Federal civilian employees, with few exceptions, participate in the Federal Employees' Retirement System (FERS). Some rehired employees may be covered under the Civil Service Retirement System (CSRS) or a slightly revised version called CSRS Offset. To determine your retirement coverage, refer to Item 30 of your latest SF 50, or your LES.

CSRS – Most permanent employees hired before 1984 are covered by full CSRS. In addition, employees rehired within 365 days of separation from a CSRS covered position will retain CSRS coverage. Most CSRS employees, including air traffic controllers, contribute 7.00% of basic pay to the CSRS retirement system. However, those under special retirement coverage, such as firefighters and law enforcement officers, contribute 7.5% of basic pay to CSRS. All CSRS employees contribute 1.45% to Medicare. There is no contribution to Social Security.

CSRS Offset – CSRS employees rehired on or after 1 Jan 84 with a break in CSRS coverage of more than 365 days and who have at least 5 years of creditable civilian service by the end of 1986 are covered by CSRS Offset. CSRS Offset employees pay into both the CSRS retirement system and Social Security: 6.2% of earnings to Social Security, 0.80% to CSRS. Firefighters and law enforcement officers pay 1.30% of basic pay to CSRS; air traffic controllers pay 0.80%. All pay 6.2% to Social Security. All pay 1.45% to Medicare. CSRS rules apply to CSRS Offset employees. The difference occurs once you retired and age 62 --- at that time your CSRS benefit will be reduced, or "offset," by an amount equivalent to the Social Security benefit based on your CSRS Offset service and earnings. Basically, you lose nothing, it just comes from two sources.

CSRS and CSRS Offset Only – Election Opportunity for FERS Retirement Coverage. CSRS and CSRS Offset employees who are rehired after a break in coverage of more than 3 days with at least 5 years of creditable prior CSRS or CSRS Offset coverage, have a 6-month opportunity to elect to transfer to the FERS retirement system. If you are in this situation, you should have been provided SF 3109, "Election of Coverage," by your local Civilian Personnel Office during in-processing. In addition, you will see a remark on the SF 50 documenting your rehire that advises you are eligible to elect FERS within 6 months of rehire. You will need to:

- Complete Part 1 (the first page) of the SF 3109 and return to your local civilian personnel office. This is simply a receipt verifying you have been given the form and advised of your opportunity to transfer to FERS.

- Read the Office of Personnel Management (OPM) “FERS Transfer Handbook.” Your local personnel office may have a copy of this handbook, or you can find it on the OPM “FERS Election Opportunities” web page at www.opm.gov/fers_election/index.htm. While there, check out the “FERS Transfer Model” and read the “Frequently Asked Questions (FAQs).”
- Full service employees with questions regarding their opportunity to transfer to FERS may contact a BEST counselor for assistance. Limited service employees will need to contact their local or servicing Civilian Personnel Office.
- If you decide to transfer to FERS, complete and return Part 2 to your local personnel office, or if you receive full benefits services from BEST, you may mail to BEST. An election to transfer to FERS is effective at the beginning of the next pay period after the completed form is received. An election to transfer to FERS is irrevocable once it has become effective.
- If you do nothing, your current coverage (CSRS, CSRS Offset, or Social Security) will continue.

This is an opportunity that few workers have – the chance to choose your retirement plan. You can keep the retirement coverage you now have, or you can choose to be covered by FERS. This is a very important decision. Depending on what the future holds for you, your decision can make a difference to you in how early you can retire from the Federal government and how much retirement income you will have. Most people will not have another chance to choose FERS coverage unless they leave Federal service for more than 3 days.

The FERS Transfer Handbook takes you through important considerations and shows you why they’re different in CSRS/CSRS Offset and FERS. Many people reach a decision without reading very much of the handbook, but we encourage you to at least review the first 6 sections because there are some special circumstances that may change your mind. You should look at the table of contents to identify topics that may be of interest to you. When you finish reading, you should be prepared to make a choice based on the plan overviews, comparisons, and examples.

FERS – Most employees who start working for the Federal government after 31 Dec 83 are automatically covered by FERS. The publication, “FERS – An Overview of Your Benefits), highlights the main features of FERS. You can find the publication at www.opm.gov/forms/pdfimage/RI90-1.pdf.

FERS is a three-tiered retirement plan. The three components are: 1) Social Security benefits, 2) the basic FERS retirement annuity, and 3) the Thrift Savings Plan. FERS employees pay 0.80% of basic pay to the basic FERS benefit plan each payday. Those under special retirement coverage, such as firefighters, law enforcement officers, and air traffic controllers, contribute 1.3% to FERS. All FERS employees pay 6.2% of basic pay to Social Security (up to the maximum taxable wage base) and 1.45% to Medicare.

The three components work together to form a strong financial foundation for your retirement years. It is extremely important that FERS employees contribute to the TSP since the formula used to compute the FERS basic retirement annuity is less generous than the one used to compute an annuity under the older CSRS retirement system. In addition, TSP is the part of your retirement that you control. You decide how much of your pay to put in your account (up to the allowable limits), how to invest it, and, when you retire, how you want your money paid out. The best way to assure that your retirement income is sufficient to meet your needs is to start investing in the TSP at the beginning of your Federal service, and to continue to do so throughout your career.

Deposits and Redeposits – Crediting Military, Temporary, and Refunded Service towards Retirement

Employees with prior military or Federal civilian service may need to pay a deposit or redeposit in order to receive credit towards retirement. The regulations regarding crediting service for retirement purposes are different from rules for crediting for leave purposes. Some service that may be included in the Service Computation Date-Leave (SCD-Leave) for leave accrual that may not be creditable for retirement includes temporary service, refunded service, and military service. It is important to check into this earlier rather than later since all deposits and redeposits accrue interest on an annual basis.

Temporary service (service where only Social Security was withheld):

If you are CSRS/CSRS Offset, temporary service is always creditable for eligibility for retirement, whether or not you pay the deposit. However, if the temporary service was performed prior to 1 Oct 82 and you do not pay the deposit, your annual annuity will be permanently reduced by 10% of the deposit due. If the temporary service was performed on or after 1 Oct 82 and you do not pay the deposit, you will receive no credit for the service in the annuity computation.

If you are FERS, temporary service performed prior to 1 Jan 89 is creditable for eligibility and annuity computation **only** if you pay the deposit. Temporary service on or after 1 Jan 89 is not creditable – no deposit is allowed.

Refunded service:

Rehired CSRS/CSRS Offset employees who took a refund of prior CSRS contributions – you may redeposit the refund, with interest. The refunded service is creditable for eligibility for retirement whether you pay the redeposit or not. However, if the period of refunded service ended before 1 Oct 90 and you do not pay the redeposit, your annuity will be actuarially reduced and the reduction is permanent. If the period of refunded service ended after 30 Sep 90 and you do not pay the redeposit, the service is not creditable for annuity computation.

Rehired FERS employees who took a refund of FERS retirement contributions -- be advised that refunded FERS service is **not** creditable for retirement eligibility or annuity computation, even though it is creditable in for leave accrual purposes. **Refunded FERS contributions cannot be redeposited.** If you are uncertain whether you have refunded FERS service, contact the Office of Personnel Management at (724) 794-2005.

Military Service:

Congress enacted a law in 1982 giving employees the opportunity to make a deposit into their civilian retirement system for active military time served after 1956 – also called “post-56” military service. Individuals who make the deposit are entitled to credit for the military service under both the Social Security system and the applicable civilian retirement system. No interest will be computed if a deposit for military service is made within two years after the date you first become employed. If the deposit is not completed in the two-year period, interest will be posted to your account on the 3rd anniversary; thus the total effective interest-free period is three years minus one day. (Active military service performed prior to 1 Jan 57 is fully creditable for both retirement eligibility and annuity computation without deposit, for both CSRS and FERS.)

Active duty military service is potentially creditable toward your civilian retirement; however, the rules for crediting military service differ depending on your retirement system.

FERS - Employees covered by FERS receive retirement credit (eligibility and annuity computation) for military service **only** if a deposit for military service is paid. For periods of active duty prior to 1 Jan 99, the deposit equals 3.00% of military base pay (does not include allowances). For periods of service performed during 1999, the deposit equals 3.25%, and during 2000, 3.40%. After 31 Dec 00, the deposit returns to 3.00% of base pay. These percentages apply to all FERS employees.

CSRS - Employees covered by CSRS (includes CSRS Offset) receive retirement credit based on the date they were first employed under CSRS, as follows:

- First employed under CSRS on or after 1 Oct 82. Credit is received for military service for retirement eligibility and annuity computation **only** if the deposit is paid for post-56 military service.
- First employed under CSRS BEFORE 1 Oct 82. There are two options:
 - Pay the deposit. You'll receive full credit for retirement eligibility and annuity computation.
 - Don't pay the deposit. You'll receive credit for retirement eligibility and annuity computation, **but** credit for the military service will be deleted and your annuity recomputed downward when you turn age 62 **IF** you are eligible for Social Security (whether you apply or not). This is commonly called “Catch-62.” If you will not be eligible for Social Security benefits at age 62, there is no advantage to making a deposit for the post-56 military service.

Prior to 1 Jan 99, the deposit required is 7.00% of the basic military pay you received for the post-56 military service. For periods of service during 1999, the deposit required is 7.25%; and for 2000, 7.40%. After 31 Dec 00, the deposit amount returns to 7.00%. Applies to all CSRS employees.

Retired Military – If you are retired military, you may combine your active duty military service and civilian service for one annuity. This requires a deposit into the civilian retirement system for the active military service, subject to the deposit amounts and interest described in the previous paragraphs. In addition, when you are ready to retire from civilian service you must waive your military retired pay effective with the beginning of the civilian annuity. Exception: Military retired pay does not have to be waived if it was awarded for a disability incurred in combat or caused by an instrumentality of war, or awarded for reserve service under Chapter 67 of Title 10 of the United States Code.

How to Submit Application to Make Military Deposit

Air Force-serviced civilians who receive **full** benefits and entitlements services from BEST will find military deposit instructions on the BEST website under “Retirement.” The BEST homepage is at <http://ask.afpc.randolph.af.mil/best/default.asp?prods3=272&prods2=264&prods1=44>.

Employees who receive limited services from BEST must contact their local or servicing Civilian Personnel Office for assistance with the military deposit, and with any issues related to retirement.

You receive “full” benefits services from BEST if your hardcopy Official Personnel Folder is located at AFPC, Randolph AFB TX.

How To Access EBIS, the BEST Phone System, and Reach a Counselor

For purposes of accessing the BEST phone system and/or the EBIS web application, **your BEST (benefits) personal identification number (PIN) is automatically set by the system when you are hired.** It is not mailed nor do you apply for it. It is automatically a 4-digit number equal to your month and year of birth; for example, if born in March 1974, your PIN is 0374. The first time you access EBIS or the BEST phone system you must change the 4-digit PIN to a 6-digit PIN of your choice. You are responsible for the security of your account -- change your PIN immediately and at any time you believe it has been compromised. Do not share your PIN with anyone. (BEST will never ask for your 6-digit PIN.)

The web system, called the Employee Benefits Information System (EBIS), is a secure web application. As a result, in order to access EBIS you must first login to the Air Force Portal or the AFPC Secure website.

Air Force Portal. Within 48 hours of receiving a valid Common Access Card (CAC), you should be able to register and establish an AF Portal account. To get started, go to <https://www.my.af.mil>. Register with your CAC card under “Not a Member?” The registration process takes about five minutes. When complete, you'll receive two email notifications, one with your Portal Username, and the other with your Portal temporary password. After initial login, you'll be prompted to change your password and complete a short profile. After logging in to the Portal, run your mouse cursor over the “Life & Career” tab, and select “Career” from the drop-down menu. A link to EBIS is located in the far left column, or you can click on Civilian Employees and find it under the self service applications. Click the EBIS link. When the EBIS Welcome screen appears, enter your SSN and BEST PIN number, and you're ready to conduct benefits transactions (click the Transactions icon). Note: Keep track of your Username and Password. This is how you access the Portal from your home computer.

AFPC Secure website. New users will set up their AFPC Secure account by using their CAC card. Go to <https://www.afpc.randolph.af.mil/afpcsecure/default.asp>. Immediately, a “Client Authentication” dialog box will appear. If your web browser has been configured for use with your DoD PKI certificate number and CAC card and CAC PIN, you should see your name and certificate number in the Client Authentication dialog box. Click “OK.” Enter your CAC PIN. At the prompt, enter your Air Force affiliation (i.e., U.S. Air Force Civil Service), DSN phone number, and your valid E-mail address. (To be valid an E-mail address must end in .mil or .gov. If you don't have a valid E-mail address, you can obtain one at <https://www.gimail.af.mil>.)

Once the system has verified who you are, your AFPC Secure account will be set up. The AFPC Secure Main Menu page will appear. If the system didn't prompt you, scroll down to the bottom and click on "Create Userid and Password." (We recommend that you create a Userid and Password so you will be able to access AFPC Secure from your home computer; however, AFPC Secure Passwords expire after 60 days and can be reset only by logging into AFPC Secure at work with your CAC card.)

Once this is accomplished, return to the AFPC Secure Main Menu page. Click on the "EBIS" button. When the EBIS Welcome Page appears, login by entering your SSN and BEST PIN. Your PIN for the BEST phone system and EBIS is the same, and you may change it as often as you wish via either system. In addition, if you forget your PIN, you can select a new one - via either system.

To submit elections in EBIS to enroll in FEHB, FEGLI and TSP, click the "Transactions" icon, then go to the Current Coverage box for the applicable benefit and click the "Change" button.

The BEST phone system. Employees in the United States will dial 1-800-616-3775. Overseas employees will first dial a toll-free AT&T Direct Access Number for the country they are in, then 800-616-3775. When the system answers press "2" for Air Force-serviced civilian employee, then "2" for BEST benefits and entitlements services. You'll hear two tones followed by several seconds of silence while your call is being transferred. You'll then hear information on entering your SSN and BEST PIN number, and the system will prompt you to enter them. (If you still have a four-digit PIN, the system will require you to change it to a six-digit PIN of your choice for security reasons.) When you reach the benefits main menu, press the number for the appropriate benefits area, i.e., 1 for FEHB, 2 for Retirement, 3 for TSP, and 4 for FEGLI. See the BEST Telephone Menu at http://ask.afpc.randolph.af.mil/docs/best/docs/BEST_Telephone_Menu.pdf for assistance in navigating the BEST phone system. If you are unable to access the phone system after your second duty day, please notify your local Civilian Personnel Office. (Go to www.business.att.com/bt/dial_guide.jsp for AT&T Direct Access Numbers.)

About BEST PIN numbers – BEST PIN numbers are not mailed. For first-time hires and employees transferring from another agency (such as Army or Navy) to the Air Force, the BEST automated system automatically sets your PIN as a four-digit number equivalent to your month and year of birth (MMYY). For example, if born in February 1975, your PIN will be 0275. If you are a rehired employee who was previously serviced by BEST, the six-digit PIN you previously set will still be in the system. If you don't remember this PIN, you can change or reset it within the BEST phone system or EBIS. However, rehired employees need to check the SF 50 (Notification of Personnel Action) or most current Leave and Earnings Statement to obtain the necessary data for resetting the PIN, to include their Service Computation Date for Leave (SCD-Leave).

EBIS and the BEST phone system are available 24 hours a day, 7 days a week (except on Saturdays from 8:45 p.m. - midnight Central Time for systems backup).

BEST benefits counselors can be reached by dialing our telephone number(s) listed above. When you reach the benefits main menu, the system will voice: "press 1 for health benefits, 2 for retirement, 3 for TSP, 4 for life insurance." Press the number for the benefits area relating to your call, then "0" to transfer to a benefits counselor. Counselors are available Monday through Friday from 7 a.m. - 6 p.m. Central Time. If you're not able to access the phone system after your second duty day, or it tells you your SSN is not on file, please notify your local Civilian Personnel Office and they will contact us.

Hearing impaired employees may contact a benefits counselor via our toll-free TDD number: 1-800-382-0893, or commercial 565-2276 if calling within San Antonio, Texas (area code 210).

Benefits and Entitlements Service Team (BEST) address:

HQ AFPC/DPSIB
550 C Street W Ste 57
Randolph AFB TX 78150-4759

BEST Fax Number: DSN 665-2936 or (210) 565-2936

REVIEW YOUR LEAVE AND EARNINGS STATEMENT EVERY PAY PERIOD!